Minnesota Lodging Revenues
Fall 2005 (September—November)

Prepared for:

Explore Minnesota Tourism
State of Minnesota

UNIVERSITY OF MINNESOTA
Tourism
CENTER

and

Minnesota Arrowhead Association
Minnesota Heartland Tourism Association
Southern Minnesota Tourism Association
Metro Tourism Committee

Prepared by:

Davidson-Peterson Associates
A Division of Digital Research, Inc.
201 Lafayette Center
Kennebunk, ME 04043

February 2006

Introduction

The purpose of this report is to summarize the lodging revenues, occupancy, and average daily rates for fall 2005 (September, October, and November) in Minnesota. To arrive at the estimated accommodations revenue, information was gathered from a sample of Minnesota's lodging industry.

For the fall quarter of 2005, there were 528 interview attempts. Of these 528 properties, 500 were contacted (95%) on the telephone. While 23% of the properties provided no information, 59% provided complete information and 13% provided partial information such as occupancy figures, but no average daily rate or vice versa.

This report is the second of three lodging revenue reports that will be incorporated into an annual economic impact report following the spring quarter of 2006. A similar series of traveler profile reports are also provided and precede each quarterly lodging revenue report by about a month.

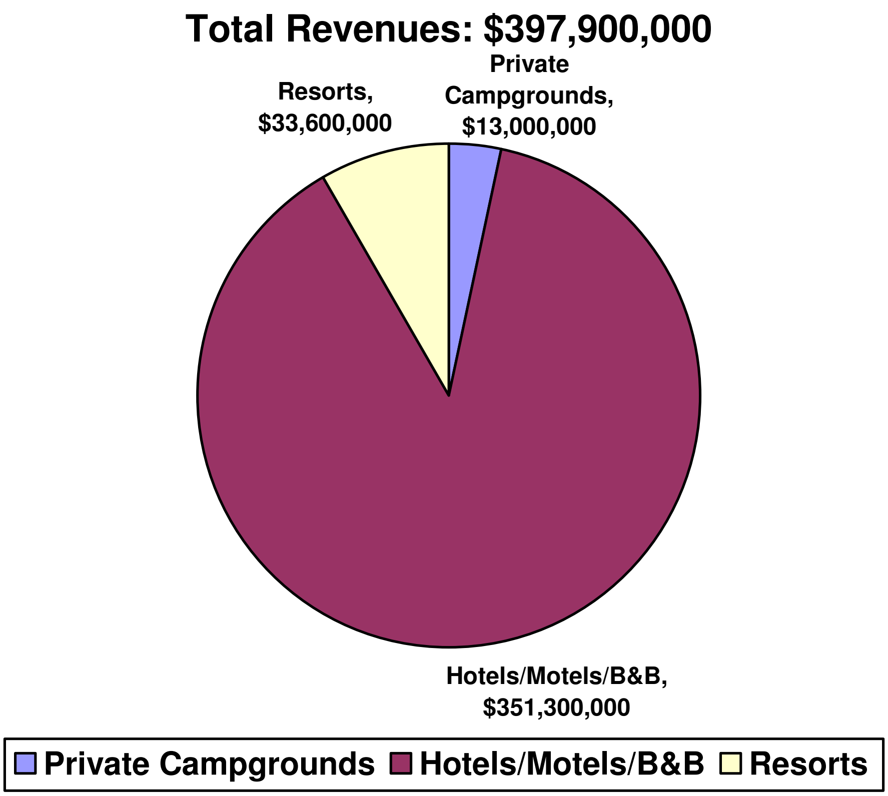
At the end of the study, results provided in all of the quarterly reports will be combined with results for the spring quarter of 2006 and additional data in a computer model to estimate state, regional, and county level economic impacts, as well as provide detailed state and regional visitor profile information balanced by region and season.

No information from public campgrounds, including state and national parks, was included in this report. Information from public campgrounds will be collected at the end of the study period and incorporated into the final economic impact report. Also, state and local taxes were included in the lodging revenue estimates as well as the estimated average daily rates.

Finally, these estimates are for preliminary purposes only and should be viewed as a barometer of fall 2005. The estimates will change when all interviewing is completed for the year, including public campgrounds, and when we have added any new properties to the roster. These properties will be added at the end of spring 2006.

The Estimates

Fall lodging revenues were estimated at $398 million, excluding revenue from those in public campgrounds. Most of the lodging revenues for the fall of 2005 were attributable to hotels/motels/B&Bs. Of the $398 million, 88% were from travelers staying in hotels/motels/B&Bs ($351 million), while 9% were from travelers staying in resorts ($34 million). Finally, 3% of lodging revenues were from travelers staying in private campgrounds ($13 million).



Occupancy

The highest average occupancy reported in the fall quarter was from hotels/motels/B&Bs at 64%, followed by private campgrounds and resorts each at 46%.

Type	Available Room-nights	Occupied Room-nights	Occupancy
Hotels/Motels/B&Bs	5,772,605	3,678,848	64%
Private Campgrounds	1,259,193	582,320	46%
Resorts	565,262	257,141	46%

Average Daily Rates

The highest average daily rates in the fall quarter were reported by resorts ($128.99) and hotels/motels/B&Bs ($96.96). As expected, private campgrounds had the lowest average daily rates ($21.58).

Type	Rate
Resorts	$128.99
Hotels/Motels/B&Bs	$96.96
Private Campgrounds	$21.58